

DODGE COUNTY FINANCE COMMITTEE

May 9, 2017, 8:00 A.M.

FIRST FLOOR AUDITORIUM – ROOMS H and I

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

The meeting was called to order by Dodge County Finance Committee Chairman, Dave Frohling, at 8:00 a.m.

Members present from the Finance Committee: Benter, Fink, Frohling, Guckenberger, and Schaefer.

Member absent from the Finance Committee: None.

Others present: County Administrator Jim Mielke; Finance Director Julie Kolp; Deputy County Clerk Christine Kjornes; Corporation Counsel Kimberly Nass; Assistant Finance Director Eileen Lifke; Dodge County Deputy Sheriff Scott Smith; Human Services and Health Department Director Becky Bell; Human Services and Health Department Fiscal Support Services Division Manager Monica Hooper; Information Technology Director Ruth Otto; Highway Commissioner Brian Field; Clearview Director of Financial Services Bill Wiley; Land Information Director Joyce Fiacco; County Treasurer Patti Hilker; ERP Project Assistant Ross Winklbauer; County Board Chairman Russell Kottke; County Board Supervisor Jeffrey Caine; County Board Supervisor William Muche; County Board Supervisor Ed Nelson; Dana Investment Advisors Chief Invest Officer Joe Veranth; and Ehlers Senior Municipal Advisor Phil Cosson.

Finance Director Julie Kolp certified the public notice given for this meeting complies with the requirements of Wisconsin's open meetings law.

Motion by Fink, seconded by Benter to allow the chair to deviate from the agenda at his discretion. Motion carried.

Motion by Schaefer, seconded by Benter to approve the April 11, 2017 minutes, as presented. Motion carried.

Supervisor Guckenberger arrived at 8:02 a.m.

Land Information Director Joyce Fiacco provided an oral report to the Committee regarding a Resolution creating a *Planning & Economic Development Administrator* position and abolishing the *Senior Planner* and *Manager of Planning & Economic Development* positions. The Fiscal Note sets forth a Fiscal Impact in the amount of \$47,155 (Net Surplus) on the 2017 adopted budget. Ms. Fiacco reported that the resignation of the Manager of Planning & Economic Development provided the Land Resources and Parks Department the opportunity to re-evaluate the department activities and operational needs. Ms. Fiacco further reported that the abolishing of the *Senior Planner* position and the *Manager of Planning & Economic Development* position would provide savings in the amount of \$47,155, and the job duties and responsibilities of these two positions would be part of the new *Planning & Economic Development Administrator* position. Ms. Fiacco reported that the Land Resources and Parks Department has seen an increase in workload due to an increase in the amount of applications, the adoption of the County Land Use Code by three more townships, the Shoreland Protection Ordinance, and the Non-Metallic Mining Program, and to meet these needs, the approval of a Resolution to fund an existing vacant *Land Use/Sanitation Specialist* position is requested. The Fiscal Note sets forth a

DODGE COUNTY FINANCE COMMITTEE

May 9, 2017, 8:00 A.M.

FIRST FLOOR AUDITORIUM – ROOMS H and I

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

Fiscal Impact in the amount of \$36,530 (Deficit) on the 2017 adopted budget. Motion by Schaefer, seconded by Benter to approve the Fiscal Notes as presented and authorize and direct the Finance Committee's Chairman to sign the Fiscal Notes, and send the Resolutions to the County Clerk. Motion carried.

Dana Investment Advisors Chief Invest Officer Joe Veranth appeared before the Committee to discuss Dodge County Cash Reserve. Mr. Veranth reviewed a document entitled *Portfolio and Economic Update, Dodge County Cash Reserve, as of March 31, 2017*, which was included in the packet materials. According to Mr. Veranth:

- Rate increases affect the portfolio
- Interest rate volatility has been low
- Earnings have been stronger this month
- GDP growth has not been strong
- Housing markets are stronger
- Unemployment rates are down but no inflation
- Coupons are increasing each month.

County Administrator Jim Mielke provided an oral report to the Committee regarding the proposed Dodge County Sales and Use Tax Policy. Mr. Mielke reported that he is requesting feedback on this proposed policy. Supervisor Muche asked the Committee members for their support to repair miles of roads that are not being maintained, and the Highway Committee is requesting an amendment to the proposed Dodge County Sales and Use Tax Policy which would provide, *undesigned sales tax, if any may be transferred to CTHS Road Construction Business Unit 3313*. Supervisor Caine commented that the intent of the amendment is to address the deficit in the highway maintenance funds, and if undesignated monies are available, the Highway Committee is asking that the monies be used for road and or bridge repair. The Finance Committee did not vote on the proposed amendment. The Committee continued with a discussion on sales tax remittances for funding capital projects. Corporation Counsel Kimberly Nass reported that she included a Note under Item 3b of the proposed Dodge County Sales and Use Tax Policy regarding the use of definitions within the policy. Mr. Mielke commented that the current thought is the proposed policy would be jointly sponsored by the Executive and Finance Committees. County Board Chairman Kottke concurred. Motion by Benter, seconded by Fink to move forward with the proposed Dodge County Sales and Use Tax Policy. Motion carried 4-1 (Guckenberger).

Ehlers Senior Municipal Advisor Phil Cosson appeared before the Committee to discuss debt refunding of the 2011 General Obligation Bonds. Supervisor Frohling introduced the new members of the Finance Committee to Mr. Cosson. Mr. Cosson provided the Committee with the following handouts entitled: *Dodge County, Wisconsin, Schedule of Bonded Indebtedness, General Obligation Debt (As of October 31, 2016)*; *Dodge County, Proposed G.O. Bond Refunding, Estimated Issue Sizing*; and *Dodge County, Estimated Refunding Savings*. Mr. Cosson reported:

- Corp Purpose Bonds includes the General Obligation Bond Debt incurred from the Highway and Clearview projects

DODGE COUNTY FINANCE COMMITTEE

May 9, 2017, 8:00 A.M.

FIRST FLOOR AUDITORIUM – ROOMS H and I

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

- Refinancing debt could provide the county with savings when the interest rates are low
- The call date is August 1, 2019, but have the option of a one-time advance refund prior to call date
- Escrow can be set up to pay off the bonds, and the exact amount would be determined at date of sale
- A Disclosure fee will be applied if chosen
- Extra costs upfront, but savings would be greater if refinanced before call date

It was a consensus of the Committee to move forward with a Resolution to refinance the 2011 General Obligation Bond Debt. Corporation Counsel Kimberly Nass will work with Bond Counsel Quarles and Brady on the language to be included on the May 16, 2017 County Board agenda.

Dodge County Deputy Sheriff Scott Smith provided a brief oral report to the Committee regarding a contingent appropriation request. Mr. Smith reported that Resolution 16-82 regarding the labor agreement contract with the Dodge County Sheriff's Office Sworn Employees, Local 120, was approved by the County Board on February 22, 2017, with the Fiscal Note setting forth a Fiscal Impact in the amount of \$62,937.00 (contingency fund) on the 2017 adopted budget. Mr. Smith further reported that the request is to allocate funds in the amount of \$62,927, to the Sheriff's Office 2017 budget. Motion by Schaefer, seconded by Benter approve the contingent appropriation request in the amount of \$62,937.00. Motion carried.

Mr. Smith provided a brief oral report to the Committee regarding a contingent appropriation request. Mr. Smith reported that in December of 2016, he received a Purchase Order from his secretary for the purchase of an automated license plate reader from Baycom in the amount of \$17,896.25. Mr. Smith further reported that at the time, he believed the purchase order was just a quote, but it was not, therefore, the invoice was never paid in 2016 when funds were available. Motion by Guckenberger, seconded by Fink to approve the transfer of \$17,896.25 from the Contingent Appropriation Fund for the payment of an invoice from Baycom for an automated license plate reader. Motion carried.

Mr. Smith provided a brief oral report to the Committee regarding a request to expend Jail Improvement Funds for the purpose of remodeling the Officer Station in Pod A of the Dodge County Detention Facility. Mr. Smith reported that funds were budgeted. Motion by Guckenberger, seconded by Benter to authorize the payment of vouchers for the remodeling of the Officer Station in Pod A of the Dodge County Detention Facility. Motion carried.

The Committee considered a Contingency Fund Transfer request from the Physical Facilities Department for the purpose of paying for invoices for installing new pumps, installing VFD's, and replacing bad valves in the Administration Building. Mr. Mielke reported that this project has been completed. Motion by Schaefer, seconded by Benter to authorize the Contingency Fund Transfer in the amount of \$15,000 for the purpose of paying for invoices for installing new pumps, installing VFD's, and replacing bad valves in the Administration Building. Motion carried.

DODGE COUNTY FINANCE COMMITTEE

May 9, 2017, 8:00 A.M.

FIRST FLOOR AUDITORIUM – ROOMS H and I

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

Human Services and Health Department Fiscal Support Services Division Manager Monica Hooper provided an oral update to the Committee regarding the 2015 Audit Material Weakness. Ms. Hooper reported that Assistant Finance Director Eileen Lifke is working with Human Services and Health Department to come up with county-wide processes to resolve Findings 2015-001 and 2015-002, and the deadline for complying documents for the Department of Justice is June 16, 2017. Ms. Hooper further reported that the Income Maintenance Consortium of Dane County of which Dodge County is a member has also requested information and the status of the finding. Ms. Kolp reported that she consulted with Baker Tilly and other Finance Director's for assistance in the preparation of the Schedule of Expenditures of Federal Awards (SEFA).

Ms. Hooper provided a brief oral update to the Committee regarding Human Services and Health Department Client Billing and Collection. Ms. Hooper reported that NetSmart was onsite the week of May 1, 2017, and provided assistance to the Human Services and Health Department to make sure that client billing was correct, and Human Services continues to perform dual entry to make sure the systems are working correctly.

Dodge County Treasurer Patti Hilker provided a brief oral report to the Committee regarding 2016 check write-offs. Ms. Hilker reported that the procedure of writing off checks is performed twice a year, and the majority are jury duty checks that have not been cashed. Motion by Guckenberger, seconded by Schaefer to authorize the 2016 check write offs in the amount of \$1,376.64.

Ms. Hilker reported that more cash was disbursed during March of 2017 than received.

There were no discussions on Dodge County Investments.

There were no discussions on the County Sales and Use Tax Revenue.

Ms. Hooper provided an oral report to the Committee regarding the Easter Seals Transportation Accessibility Grant. Ms. Hooper reported that Dodge County would like to be the fiscal agent for the Easter Seals Transportation Accessibility Grant, and the grant is a \$100,000 non-lapsing grant that will help provide transportation for Dodge County residents. Ms. Hooper further reported that this is in the early stages of planning. Mr. Mielke reported that there will be a presentation on this grant to the Human Services and Health Board at their June 7, 2017 meeting, and a presentation to the County Board at their June 20, 2017 meeting. Ms. Hooper reported that Dodge County will receive 12.5% for being the fiscal agent. Human Services and Health Department Director Becky Bell reported that the current transportation system will be utilized.

Ms. Kolp provided an oral update to the Committee regarding the ERP Project. Ms. Kolp reported that Tyler consultants were onsite on May 2, 2017 to introduce their proposed team to Dodge County. GFOA representatives were also on site to lead the discussion. The Dodge County ERP team was pleased with the meeting. Ms. Kolp further reported that Highway and Kronos are big components of the ERP Project.

DODGE COUNTY FINANCE COMMITTEE

May 9, 2017, 8:00 A.M.

FIRST FLOOR AUDITORIUM – ROOMS H and I

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

Ms. Kolp reported that the Executive Committee approved Resolution 17-06 delegating policy oversight and approval of financial policies to the Finance Committee. This Resolution will go to the County Board on May 16, 2017.

ERP Project Assistant Ross Winklbauer provided the Committee with a handout entitled *Dodge County Wisconsin, Draft Procurement Policy Number: FIN 1.00, Version #4, Created: May 3, 2017*. Mr. Winklbauer reported that this is a working draft of the Dodge County Procurement Policies and Procedures, and he worked with Corporation Counsel Kimberly Nass in creating this document.

Ms. Kolp reported that there is discussion about presenting an ERP Project budget resolution to the County Board. The project budget will include the Tyler Munis software, GFOA engagement, Kronos System redesign, hardware, and other additional costs related to the project.

The Committee reviewed the Unbudgeted/Excess Revenue Appropriation Forms from Emergency Management and Highway Department, and the Intra-Department Fund Transfer form from the Highway Department. Ms. Kolp reported that a motion is not required by the Finance Committee. It was a consensus of the Committee to authorize and direct the Finance Committee's Chairman to sign the Unbudgeted/Excess Revenue Appropriation Forms from Emergency Management and Highway Department, and the Intra-Department Fund Transfer form from the Highway Department.

There were no Committee Member Reports.

There was no discussion on Dodge County Vouchers \$10,000 or more.

Mr. Mielke asked the Committee for their availability for the 2018 Mini-Budget Presentations and Special Finance Committee Budget meeting. It was a consensus of the Committee to have the Mini-Budget Presentations on September 26-28, 2017, beginning at 4:00 p.m., and the Special Finance Committee meeting on October 24, 2017, beginning at 6:00 p.m. Mr. Mielke reported that these meetings will be held in the auditorium of the Administration Building.

Ms. Kolp provided a brief oral report to the Committee regarding the proposed Finance Department role related to Workers Compensation and Dental Self-Funded Fund Balances. Ms. Kolp reported that currently the Human Resources Department administers the self-funded fund balances, and the Finance Department would take over the role to help determine the fund balance because if changes need to be made, this would affect the budget.

Ms. Kolp provided a brief oral update on the 2016 Financial Statement Audit. The auditors recommended a Health Insurance adjustment. Ms. Kolp reported that in January of 2003, Dodge County moved to the State Health Insurance Plan, which requires a month of prepaid premiums. In 2003, 13 months of health premiums were paid and expended through the payroll process. All subsequent years thereafter, had health insurance expenditures from February through December of the current year and January of the upcoming year. Compliance with the Affordable Care Act (ACA) requires health insurance reporting of premiums for the current year, January through December. ACA tracking and reporting of health

DODGE COUNTY FINANCE COMMITTEE

May 9, 2017, 8:00 A.M.

FIRST FLOOR AUDITORIUM – ROOMS H and I

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

insurance premiums are through the Kronos payroll system. For ACA compliance and to avoid excess manual manipulation of ACA reports, it was decided to change the timing of health insurance deductions from payroll. This resulted in 11 months of health insurance deductions from 2016's payrolls. This accounting correction caused a year-end adjustment. Ms. Kolp state that she worked with Johnson Block and the various finance areas of the County to correct the understatement of health insurance expenditures for 2016.

The next regular meeting is scheduled for Tuesday, June 13, 2017, at 8:00 a.m., in the Auditorium, located on the first floor of the Administration Building.

With no other business on the agenda, Chairman Frohling declared the meeting adjourned at 10:20 a.m.



Ed Benter,
Secretary

Disclaimer: The above minutes may be approved, amended or corrected at the next committee meeting.